

K Mart Department Store, 3295 College, Formal Opening Is Today

Merchandise, Service Mark Success of K Mart

Plans Made And Policies Formed Before Opening

The success of K Mart's discount department stores actually is the result of merchandising and service policies developed before the first K Mart became a reality in March, 1962.

During his two years as general vice president (1957 and 1958), Harry B. Cunningham traveled across the United States investigating the operations of all types of retailing.

The main purpose of his research was to determine what future course of action should be taken by the Kresge Co. to increase its profitability.

Harry B. Cunningham Originated K Mart Idea

HARRY B. Cunningham, president and chairman of the board of directors, was originator of the K Mart idea. Cunningham joined Kresge's



company in 1956. He was 49 years old and had been with the company 22 years. He was named president and chief executive officer in 1959.

Two years later, he was responsible for launching a new retail division—small discount stores called Juplers.

The next year, Cunningham opened the first K Mart and followed it with an expansion campaign that produced 215 additional K Marts by January, 1968.

At least 50 more are planned each year for the next four years.

During Cunningham's service in Kresge's top councils, sales have tripled to \$1,090,000,000 and stores have increased to more than 916 or the three separate types.

Cunningham, a native of Home Camp, Penn., left college after completing his sophomore year at Miami University in Oxford, Ohio, to accept a job at a daily newspaper in Harrisburg, Penn.

A year later he entered Kresge's management-training program, starting as a stockboy in Lynchburg, Virginia.

Cunningham became a store manager in 1940, a district manager in 1947, assistant sales director in 1951, sales director in 1955, general vice president in 1957 and was elected to the top post in 1959.

In May of 1967, Cunningham was elected chairman of the board.

Indication of soundness. Although experience and research continually result in improvement, there have been no important deviations from the original specifications.

An indication of their soundness is the existence at the end of November, 1967, of 216 K Marts in the United States, Canada and Puerto Rico (contributing a major share of the company's sales and profits).

It is impossible to identify the most important K Mart policy since all contribute to the success of the operation.

Truly Competitive. However, the policy most rigidly enforced by top management requires K Mart selling prices to be truly competitive.

They must be as low as or lower than the selling prices available to K Mart customers within the trading area.

Although price tags on K Mart merchandise are determined by the main office, each K Mart manager is responsible personally for keeping his store competitive.

The manager may lower recommended prices, but he does not have the right to raise them.

No Imperfects. All K Mart merchandise must meet rigid quality standards. There are no imperfects, irregulars, or substandards on K Mart counters.

K Mart stores are publicized as true discount department stores.

To gain complete customer acceptance, K Marts must be just that.

Only when unusual demand requires K Marts to carry certain "fair trade" lines, do customers find a few items that are not discounted.

Equal or Superior. But policy requires the replacement of such merchandise as quickly as other items of equal or superior value and selling merit can be developed.

In the early days of discount retailing, many leading advertised brands carried by discount stores had to be obtained from jobbers or wholesalers which made it difficult to reduce selling prices dramatically.

The Kresge Co. was determined to break down this barrier, realizing that repeat traffic depended on satisfied shoppers who could be assured of buying quality and leading-brand merchandise at promised discount prices.

Concentrated Effort. A concentrated effort was



Gerald Foster, right, presents the keys to K Mart of Beaumont to the manager, Thomas Davies, as K Mart is pronounced ready for the formal opening.

Clyde K. Bowles Is Chief S. S. Kresge Man in South

TOP man for the S. S. Kresge Co. in the southern region is Clyde K. Bowles. He is responsible for more than 170 stores in 16 states. The stores are of three types: K Mart department stores; Kresge variety stores; and Juplers discount stores.

Bowles' responsibility is supervision of store operation in this region and working closely with its district managers to see that each store manager fulfills his merchandise assortment to meet the shopping needs of his particular community.

Among other duties, Bowles sees that the quality of goods remains high; that prices remain low; that the money-back guarantee policy is maintained; and that outstanding leadership ability is recognized within all personnel ranks.

The retail business offers golden opportunities for young people trying to decide on a career, Bowles believes.

"Of course," Bowles said, "the work can be hard, but rewards for those who put in their best effort come more quickly than in any other field."

Bowles' own career is a testimonial to his beliefs. He started



in the retail business in 1931 as a stockboy in a Kresge store shortly after graduation from the University of Illinois. He has served as a store manager, district manager, assistant to a top executive and buyer before becoming a top executive himself in 1960, as regional manager.

Bowles also served as midwestern regional manager for four years before his present assignment at the beginning of 1967.



CLAUDE M. BOOKER



ROBERT F. KRESGE

Two Top Kresge Officials To Attend K Mart Opener

TWO of the top executives of S. S. Kresge Co., parent firm of K Mart, will attend the formal opening of the Beaumont K Mart. They are Robert F. Kresge, co-director of K Mart merchandising, and Claude M. Booker, vice president of merchandising and member of the board of directors.

Booker joined the first rank as a store manager nine years ago when company sales were \$450 million. In 1961 he became a vice president. At that time he had been with the company 33 years.

Native of Virginia, Booker, a native of Lynchburg, Va., graduated from Castle Heights Military Academy, Lebanon, Tenn. He joined the S. S. Kresge Company management training program in 1926, starting as a stockboy in a Kresge store in Columbus, Ohio. He became a store manager in 1933, a district manager in 1938, a regional merchandise manager in 1953, a national merchandise coordinator in 1954, a buyer in 1956, and a regional manager in 1959.

Three years later he assumed his present responsibilities.

Indiana Native. Kresge, a native of Evansville, Indiana, attended high school in Lakewood, Ohio, and Spates Army for four years, graduating from Western Reserve University in 1948. His Kresge career actually began

two years earlier when he was employed in a part-time capacity.

Kresge served as an assistant manager in four Cleveland area Kresge variety stores, before joining the management in 1953.

He managed three Kresge stores in the Cleveland area from 1953 to 1960 when he became district manager for stores in Kresge's central region. Four years later, in 1964 he was appointed to manage the Southgate, Mich., K Mart.

He was appointed to his new position of co-director of K Mart merchandising the first part of this year.

K-Mart Provides Ten Acres Of Parking Space

K Mart has 10 acres of parking space for its customers. The 101,500-square-foot building is conveniently situated on the south side of College Street and near the Baptist Medical Center.

The site formerly was occupied by the Circle Drive Theater, a modern-day land-

RIBBON-CUTTING BY CITY, KRESGE OFFICIALS SET

A K Mart department store, designed to serve customers from far beyond the Beaumont area, will open at 9 a.m. today at 3295 College. It was announced Wednesday by manager Thomas V. Davies.

City officials and top executives of the S. S. Kresge Co. will take part in a brief ribbon-cutting ceremony at the main doors of the department store section of the store, immediately before the opening.

Record crowds of all ages are predicted to participate in this grand opening.

Safety for Motorists. Police were asked to give special attention to traffic on the streets surrounding the store during the first few hours of the opening. "This is for the safety of motorists driving by," Davies explained. "Once a car is in our 1,000-car parking lot, there should be no congestion."

Beaumont was chosen as the location for a K Mart because of its economic growth and tremendous potential, stated Mr. Davies.

Kresge Division. K Mart is a division of the S. S. Kresge Co., which for 70 years has operated some of the most popular stores in the nation.

"The new K Mart, selling nationally advertised products and backing all sales with a satisfaction-or-money-back guarantee, will be a discount store in its pricing policies," Davies said.

Following are highlights of the merchandise the department store will carry:

Major Appliances. Major appliances, including color TV sets, washing machines and freezers; minor appliances; furniture; building tools and supplies; floor coverings; draperies; yard goods and sewing materials; women's, men's, girls', boys' and infants' clothing; bedding; jewelry; photographic supplies; books; records; toys and health and beauty aids; a full line sporting goods department; housewares and supplies; toys for all age groups; and pets and pet supplies.

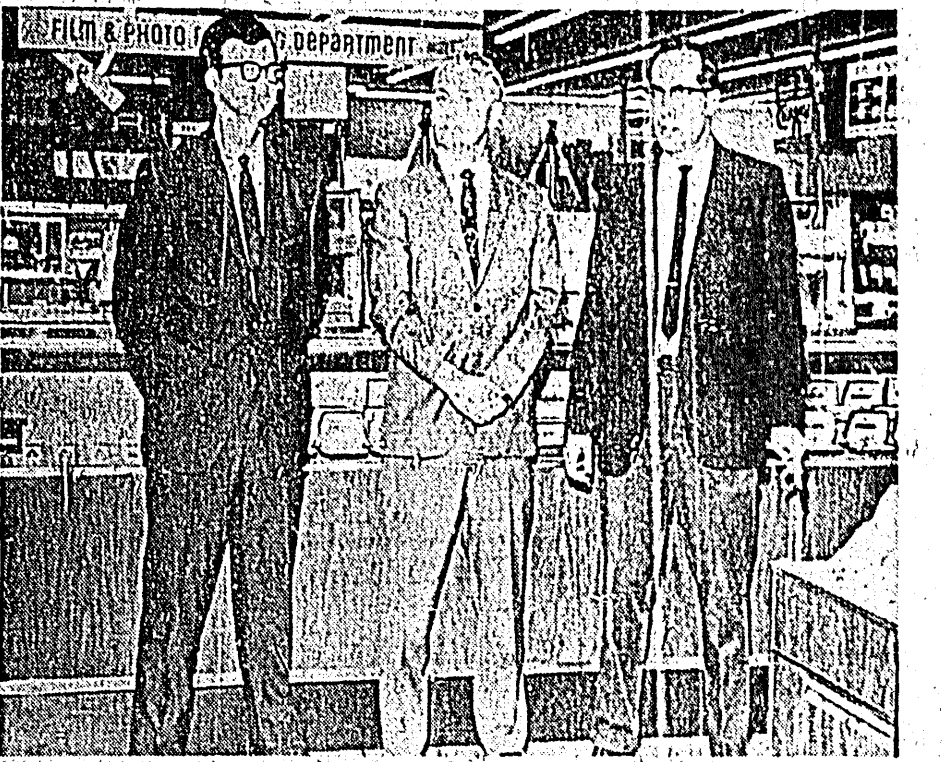
"More than 100 Beaumont residents will be given permanent employment when the K Mart opens," said Mr. Davies. "In addition, up to 75 more will be hired part-time during holiday seasons."

All Beaumonters. "A staff made up entirely of Beaumont people will assure our being alert to all of the needs of our new customers," Davies said.

"The first K Mart opened in 1962 in a suburb of Detroit and was based on Mr. Cunningham's concept of 'top quality merchandise sold at a small profit to induce a high volume of sales,'" Davies said.

"This policy," he continued, "brought immediate and overwhelming public acceptance which was the basis for expansion to 237 K Marts in the United States, Canada and Puerto Rico by June of 1968."

"At least 50 K Marts are scheduled to open in 1968 and 50 or more a year are scheduled to open in each of the following four years," Davies concluded.



These three young officials of K Mart in Beaumont are, from left, Wayne Spracklen, assistant manager; Dennis Todd, merchandise manager; and Jim Davis, operations assistant.



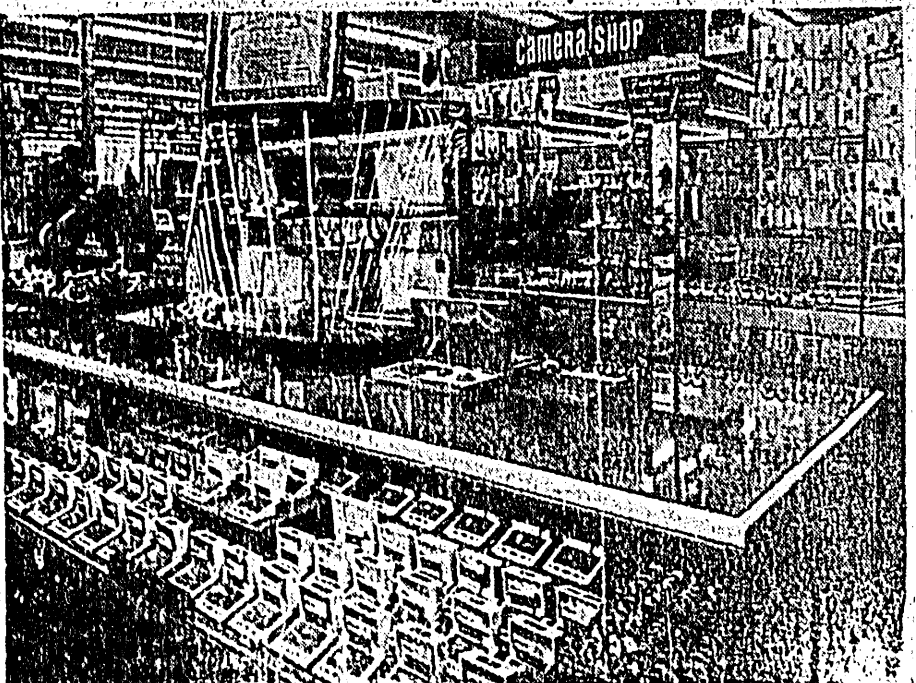
K Mart's huge grocery wing is presided over by manager Bill Drummond, center, and Grover Rodden, left, and Clyde Whitmore, co-managers.



A sportsman's dream is the sports goods department at Beaumont K Mart. Part of the wide assortment of golf clubs is in the background. In left foreground, an entire case of golf balls. Tennis rackets, boats, tents—and hundreds of other items for the complete sportsman are available.



Everything for the car owner can be found in the automotive department at Beaumont K Mart. Tires, batteries, all kinds of up-to-the-minute accessories including new safety size universal rear view mirror—all are here. Salesmen will provide tips on purchases to help make your car look better and run better.



A jewelry department without superior helps make Beaumont's new K Mart truly a one-stop shopping center. Engagement and wedding rings of superior quality, fashion earrings, all the fine makes of watches—everything in the jewelry line, with of course, K Mart's dependable money-back guarantee.